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Eradication of poverty and other development issues

Implementation of the Second United Nations Decade for the Eradication of Poverty (2008-2017)

Report of the Secretary-General

Summary

The present report, which is submitted pursuant to General Assembly resolution 69/234, discusses the progress of efforts to eradicate poverty and examines the challenges — such as low agricultural productivity, high unemployment, rising inequality, social exclusion, economic crises and the impacts of climate change — faced by countries engaged in these efforts. The report also presents an overview of the recent activities undertaken by the United Nations system to implement the inter-agency system-wide plan of action for poverty eradication; and highlights key policy measures that have proved effective in reducing poverty. The final section of the report offers recommendations for consideration by the Assembly.

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I. Introduction

1. The Second United Nations Decade for the Eradication of Poverty (2008-2017) has made important contributions to facilitating normative discussions centred around the imperative of poverty eradication, with a focus on full employment and decent work for all. Within the broader global development agenda encapsulated in the Millennium Development Goals and reflected in the formulation of the post-2015 development agenda, the Decade has provided countries with a framework within which to tackle poverty in all its dimensions and share national experiences, and has also served as an effective platform for the United Nations system with respect to focusing and coordinating its development efforts in support of national initiatives aimed at eradicating poverty.

2. The present report examines the progress achieved in eradicating poverty and the challenges faced by countries in their efforts to eradicate extreme poverty and create decent work opportunities for all. The report focuses particular attention on the challenge faced by Africa and the least developed countries. It also highlights both key policy measures that have proved effective in reducing poverty and activities undertaken by the United Nations system to implement the inter-agency system-wide plan of action for poverty eradication.

II. Progress in eradicating poverty

A. Global income poverty

3. With two years remaining in the Second United Nations Decade for the Eradication of Poverty and with the 2015 deadline for achieving the Millennium Development Goals now upon us, it is appropriate to note that considerable progress has been made in reducing poverty. Levels of poverty have dropped in all regions. In particular, the world has met the target of cutting the global rate of extreme poverty to half its 1990 level. The number of people living in extreme poverty fell from 1.9 billion to 835.5 million in the period from 1990 to 2015. The proportion of the world's population living on less than $1.25 a day had declined to 11.5 per cent by 2015, down from 14.5 per cent in 2011 and 36.4 per cent in 1990. The global headcount is projected to continue trending downward, reaching 9.1 per cent in 2020 and 4.9 per cent in 2030.[1] Estimates for the developing world stood at 43.5 per cent in 1990, 17.0 per cent in 2011 and 13.4 per cent in 2015, with projections of further decline to 10.5 per cent by 2020 and 5.7 per cent by 2030.

4. At the regional level, the number of people living below $1.25 a day has fallen dramatically in East Asia and the Pacific — from 957.1 million in 1990 to 86.4 million in 2015.[1] In South Asia, extreme poverty fell sharply, from 53.2 per cent in 1990 to 18.1 per cent in 2015, and is projected to reach 13.8 per cent in 2020 and 2.1 per cent in 2030. In Eastern Europe and Central Asia, the number of the extreme poor stood at 7.1 million in 1990 and 1.3 million in 2015. In Latin America and the Caribbean, the figures were 52.7 million in 1990 and 26.8 million in 2015. However, there are concerns that efforts to maintain the significant progress made in reducing poverty in Latin America and the Caribbean region seem to be hitting

[1] See http://www.worldbank.org/en/publication/global-monitoring-report/poverty-forecasts.

limits as the pace of poverty and indigence reduction and improvement in income distribution slows, especially in the wake of the 2008 global economic crisis. In the Middle East and Northern Africa region, poverty rates have begun to trend upward owing to conflict situations. While extreme poverty declined from 5.5 to 4.1 per cent in the period from 1990 and 2010, in 2012 the poverty rate increased to 7.4 per cent.[2]

5. Poverty and inequality are also rising in many high-income countries.[3] Of greater concern has been the impact of fiscal consolidation and adjustment measures on child and family poverty.[4] Child poverty increased across the European Union during the period 2008-2013. Overall, 24 per cent of the total population of the European Union is at risk of poverty or social exclusion, including 27 per cent of all children and 20.5 per cent of those over age 65 in Europe.[5]

B. Income poverty in Africa and the least developed countries

6. Poverty levels have fallen in many African countries. In 2011, an estimated 39.6 per cent of Africa's population lived on less than $1.25 a day as compared with 46.6 per cent in 1990. In sub-Saharan Africa, 40.9 per cent of the population lived on less than $1.25 a day in 2015 compared with 46.8 per cent in 2011 and 56.6 per cent in 1990. Sub-Saharan Africa's poverty rate is projected to fall to 34.2 in 2020 and 23.6 per cent in 2030. In contrast, Northern Africa has managed to halve the proportion of people living in extreme poverty — from 11.7 per cent in 1990 to 4.4 per cent in 2011. Between 1990 and 2011, levels of poverty rose in 11 African countries and declined in 36 others. Among the countries experiencing a decline, 13 have met the Millennium Development Goals target of halving the proportion of the population living on less than $1.25 a day.[6]

7. The absolute number of people living in poverty in sub-Saharan Africa has also begun to decline, bucking a long upward trend. In 1990, an estimated 287.1 million people had lived below $1.25 a day. The number increased to 416.4 million people in 2010. In 2011, the number of the extreme poor had declined slightly, to 415.4 million, and to 403.2 million in 2015. The number is projected to decline further, to 382.9 million, in 2020 and to 334.6 million in 2030.

8. In the least developed countries, the proportion of people living on less than $1.25 a day declined from 65.9 per cent in 1990 to 44.8 per cent in 2011. The 2015 Millennium Development Goal target is 32.9 per cent. Progress, however, masks strong regional and country differences. Among the seven Asian least developed countries with data, poverty declined from 64.4 per cent in 1990 to 31.9 per cent in 2011, signifying that the Millennium Development Goals target had been met. In

[2] Economic and Social Commission for Western Asia, "Arab middle class: measurement and role in driving change" (E/ESCWA/EDGD/2014/2) (Beirut, 2014).

[3] International Labour Organization, *World Social Protection Report 2014/15: Building Economic Recovery, Inclusive Development and Social Justice* (Geneva, International Labour Office, 2014).

[4] Zsolt Darvas and Olga Tschekassin, "Poor and under pressure: the social impact of Europe's fiscal consolidation", Bruegel Policy Contribution, No. 2015/04 (March 2015).

[5] See http://ec.europa.eu/social/main.jsp?catId=751.

[6] Algeria, Botswana, Djibouti, Egypt, Ghana, Guinea, Mauritania, Morocco, Namibia, South Africa, the Sudan, Swaziland and Tunisia.

Africa's least developed countries, on the other hand, the poverty rate in the period from 1990 to 2011 declined from 66.6 to 50.4 per cent, a figure falling well short of the Millennium Development Goal target of 33.3 per cent.

9. At the country level, some least developed countries have made notable progress, while others continue to face major challenges. Nine least developed countries have been able to cut the levels of poverty that existed in 1990 by more than half.[7] However, poverty rates increased in a number of least developed countries, namely, the Comoros, the Democratic Republic of the Congo, Sao Tome and Principe, Togo and Zambia.

C. Non-monetary poverty

10. Other, non-monetary dimensions of poverty also improved significantly. As a result of global efforts to attain the Millennium Development Goals, more than 2.6 billion people have gained access to an improved drinking-water source. The lives of 2.1 billion people have improved as a result of access to improved sanitation. Between 2000 and 2014, the lives of more than 320 million slum dwellers were positively impacted as they gained access to clean drinking water, improved sanitation facilities or better housing. Girls' primary school enrolment is now equal to that of boys, while antiretroviral therapy reached 13.6 million people in 2014. An estimated 6.2 million malaria deaths have been averted since 2000, while the global under-five mortality rate dropped from 90 to 43 deaths per 1,000 between 1990 and 2015.[8] These successes, among others, have positively transformed the lives of previously disadvantaged and marginalized social groups.

11. Marked progress continues to be made in the eradication of extreme hunger. The number of undernourished people fell to 794.6 million in 2014-2016 as compared with 820.7 million people in 2010-2012 and 1.01 billion people in 1990-1992.[9] In terms of prevalence, 10.9 per cent of the world's population was undernourished in 2014-2016 as compared with 11.8 per cent in 2010-2012 and 18.6 per cent in 1990. In developing regions, the prevalence of undernourishment declined from 23.3 per cent in 1990-1992 to 12.9 per cent in 2014-2016. However, overall global progress towards the attainment of food security targets by 2015 was slowed in recent years by a myriad of global challenges which include weak global economic growth, extreme weather events and conflict and political instability in some countries. Regional progress remains uneven.

12. The region of Europe and Central Asia has the lowest undernourishment levels in the world.[10] In 2015, undernourishment stood at less than 5 per cent. The region has reached the Millennium Development Goal target of reducing the incidence of hunger by half by 2015. Declining rates of hunger across the region have been

[7] Bhutan, Cambodia, Djibouti, Guinea, the Lao People's Democratic Republic, Nepal, the Sudan, Timor-Leste and Yemen.

[8] United Nations, *The Millennium Development Goals Report 2015* (New York, 2015).

[9] Food and Agriculture Organization of the United Nations, International Fund for Agricultural Development and World Food Programme, *The State of Food Insecurity in the World 2015: Meeting the 2015 International Hunger Targets — Taking Stock of Uneven Progress* (Rome, FAO, 2015).

[10] Food and Agriculture Organization of the United Nations, *Regional Overview of Food Insecurity in Europe and Central Asia: 2015: Focus on Healthy and Balanced Nutrition* (Rome, FAO, 2015).

which means that in that year, there were 61 million fewer people in employment globally than there would have been if pre-crisis employment growth trends had continued. It is projected that this number will have risen to 81 million by 2018. The gap will likely widen with significant variations across countries and between various demographic groups. For example, although women make up 40 per cent of the global labour force, nearly 73 per cent of the global jobs gap in 2014 was due to a shortfall in employment among women.

18. Job insecurity remains a great challenge. Among countries with available data, 75 per cent of workers are employed on temporary or short-term contracts, in informal jobs, under own-account arrangements or in unpaid family jobs. Growth in part-time jobs outpaced gains in full-time jobs in the majority of countries with available data between 2009 and 2013.[14] Significant gender gaps also exist, with the proportion of women engaged in part-time employment standing at 24 per cent compared with a figure of 12.4 for men.

19. Significant diversity exists in unemployment situations across regions. In the European Union, the unemployment rate was 9.6 per cent in May 2015, compared with 10.3 per cent in May 2014. This was the lowest rate recorded in the region since July 2011.[15] In the United States of America, the unemployment rate continued to decline, from 10.0 per cent in October 2009 to 5.3 per cent in June 2015.[16]

20. Employment growth has slowed down in the region of Latin America and the Caribbean. The unemployment rate stood at 6.6 per cent in 2012 and at 6.5 per cent in 2015. In East Asia, average unemployment is projected to edge slightly upward, from 4.4 per cent in 2012 to 4.8 per cent in 2015. Moreover, as China's economy has entered a new normal state, with growth expected to decelerate to 7.1 per cent in 2015 and 6.9 per cent by 2017, this may contribute to slower employment growth in the region as well as in the rest of the world. In South-East Asia and the Pacific, the unemployment rate has remained relatively low, at 4.1 per cent in 2012 and 4.3 per cent in 2015.

21. The challenge of creating decent jobs in Africa is perhaps more acute than in any other region. Despite strong economic growth rates over the past decade, Africa's total unemployment rate, at 7.6 per cent in 2014 and 7.5 per cent in 2015, has not changed. The International Labour Organization (ILO) projects that for the period 2014-2024, an estimated 12.6 million young people will enter Africa's labour market per year. The challenge is therefore not to create just any jobs, but rather to reorient strategic priorities in such a way as to enable national growth strategies to generate more high-quality, decent jobs, based on an accelerated productive transformation and the upgrading of existing jobs. Reducing the prevalence of informal or precarious jobs, with no guarantee of rights or social protection, should be the focus of policy interventions.

22. The Middle East and Northern Africa region continues to experience the highest unemployment rates of all regions. In 2013, an estimated 12.2 per cent of

[14] International Labour Organization, *World Employment Social Outlook 2015: The Changing Nature of Jobs* (Geneva, International Labour Office, 2015).

[15] Eurostat, "Euro area unemployment rate at 11.1%", news release 117/2015, 30 June 2015. Available from http://ec.europa.eu/eurostat/documents/2995521/6896063/3-30062015-AP-EN.pdf/3702d2c4-7a60-4b2c-aced-b20355f90c3a.

[16] See United States Department of Labor, Bureau of Labor Statistics, Databases, tables and calculators by subject (http://data.bls.gov/timeseries/LNS14000000).

the labour force was unemployed in Northern Africa. In the Middle East, the unemployment rate was 10.9 per cent in the same year. The region also has the highest rate worldwide of youth unemployment, with the figure standing at 29.2 per cent. These high levels of unemployment undermine regional poverty eradication efforts and equitable economic growth. Unemployment is also expected to remain elevated in Central and South-Eastern Europe and the Commonwealth of Independent States, with average unemployment projected to tick upward, from 8 per cent in 2012 to 8.2 per cent in 2015.

23. There is no single policy that can resolve the unemployment issue. Rather, a combination of initiatives dealing with improving worker skills, harnessing the demographic dividend, macroeconomic and trade policies, transition to formality, wage policy, social protection and collective bargaining are all required. The national context within which these policies are implemented also matters. Ideally, social, macroeconomic and sectoral policies should work in tandem to influence labour demand and supply and foster high-quality job-rich growth. Employment-focused growth strategies should entail increased and sustained public investments in critical infrastructure such as roads, bridges, ports and energy. When accompanied by strong institutions, these sets of policies can contribute to growth, boost aggregate demand and minimize risk at the household level. Public investments in these areas should not, however, crowd out private investments, particularly in high-productivity sectors in both urban and rural areas.

IV. Policy priorities for poverty eradication and employment creation

A. Structural transformation for employment creation and poverty reduction

24. Promoting inclusive and sustainable industrialization and enhancing economic productivity through diversification have emerged as key priorities for developing countries as they seek to reduce widespread poverty and inequality. Without such structural transformation, the sectoral distribution of gross domestic product (GDP) and labour-force patterns will remain dominated by the agricultural and other low-productivity sectors.

25. To foster growth, exports and employment creation and to reduce poverty, developing countries need to implement several concrete measures. Key among them are boosting the rate of investment, improving the productivity of existing investment, ensuring investment in strategic sectors and making macroeconomic policies consistent with the goal of structural transformation.

26. For structural transformation to contribute to sustained and inclusive employment, it has to be accompanied by the adoption of labour-intensive production processes and strengthened linkages between activities and sectors. Some of the increase in productivity associated with transformation has to be passed on to workers so as to create additional aggregate demand and hence employment. Countries also need to address constraints on employment creation such as infrastructure bottlenecks and on upgrading of workforce skills. Rural development should also be an integral part of the structural transformation agenda, especially in low-income developing countries.

27. There is also a need for deliberate government efforts to induce structural transformation through industrial policy. However, there is no consensus on how Governments should accomplish this goal. By examining different frameworks developed in the last 10 years, ILO studies have analysed how to promote the kind of structural transformation that results in rapid and sustained development processes.[17] Results show that countries that were successful in terms of structural transformation did not focus solely on one outcome, such as increasing productivity. Rather, successful Governments were able to multitask, that is to say, they (a) created jobs that people wanted by investing in activities that created learning opportunities; (b) improved technology in existing sectors while creating new avenues of employment for those displaced by that technology; (c) invested in manufacturing and industry while promoting agriculture and services; and (d) diversified within and across sectors, drawing important lessons from an examination of the forces that drove productive transformation.

28. China's rapid structural transformation and industrial upgrading, which have been in progress since 1978, have fostered employment creation in the secondary and tertiary sectors, raised rural incomes and contributed to significant poverty reduction. Before the implementation of economic reforms, per capita annual income in China stood at US $243. The figure has increased since then, to $7,593, in 2010-2014. The sectoral composition of China's economy has shifted dramatically. In 1978, agricultural exports accounted for 35 per cent of China's total exports and primary goods for 28.2 per cent of GDP. By 2009, agricultural exports accounted for less than 3.5 per cent of China's total exports, while the proportion of primary industry in the country's GDP had shrunk to 11 per cent. Manufacturing exports increased from 65 per cent of total exports to 96.5 per cent in 2009. Similarly, the share of the labour force in primary industry declined from 70.5 per cent in 1978 to 38.1 per cent in 2009, while the proportion of employment in secondary industry increased from 17.3 to 27.8 per cent over the same period.[18] The impacts of these changes were further buttressed by massive infrastructure investments and the State's proactive role in providing industrial identification and facilitating structural upgrading. However, while structural transformation resulted in a significant drop in levels of poverty, the cost to the environment has been significant, and levels of inequality have risen.

29. Among the least developed countries, important lessons can be drawn from the ongoing structural transformation of Ethiopia and its impact on poverty reduction and employment creation. The country's structural transformation process is being driven by a strong developmental State with a long-term, inclusive and unifying national vision centred on income growth and poverty reduction. The government places a premium on disciplined and evidence-based decision-making and planning. The main drivers of the country's structural transformation include its agricultural development-led industrialization strategy, which is redistributive in nature and extends support to small farmers in the form of credit and training; investment in infrastructure; a selective industrial policy which is biased towards high-potential

[17] José M. Salazar-Xirinachs, Irmgard. Nübler and Richard Kozul-Wright, *Transforming Economies: Making Industrial Policy Work for Growth, Jobs and Development* (Geneva, International Labour Office, 2014).

[18] Justin Yifu Lin and Miaojie Yu, "Industrial upgrading and poverty reduction in China", in *Structural Change and Industrial Development in the BRICS*, Wim Naudé, Adam Szirmai, Nobuya Haraguchi, eds. (Oxford, Oxford University Press, 2015). Part II, chap. 4, pp. 93-118.

sectors; investments in social protection, as illustrated by the nationwide construction of health centres, among other initiatives; and increased investment in science and technology education and innovation systems.

30. Ethiopia also aims towards transforming its economy through industrialization by attracting foreign direct investment (FDI) for channelling to economic zones where key public services will be concentrated.[19] With China set to lose 85 million manufacturing jobs in the next decade as a result of rising wages at home, a large number of Chinese manufacturers have relocated to Ethiopia and other developing countries. It is because of these efforts that Ethiopia's economy is among the 10 fastest growing in the world. More importantly, the experience of this fast growing but less resource-rich country shows the potential impact of agriculture-led growth. Levels of poverty have dropped significantly, from 62.1 per cent in 1990 to 36.8 per cent in 2011.

B. Investing in agriculture and promoting decent rural employment

31. Attaining the objectives of the Second United Nations Decade for the Eradication of Poverty also hinges on efforts to promote rural development and sustainable agriculture in particular. Efforts to fight poverty should include enhanced international cooperation in support of agricultural and rural development, including support to smallholder producers in the least developed countries. Taking stock is essential with respect to how farmers are linked to markets and how institutional and infrastructural designs have thwarted the ability of small farmers and rural landless workers to reduce the risks that they face and increase their resilience and capacity to make better decisions centred on resource management and livelihood strategies.

32. In a study of a diverse mix of 25 countries that had recently achieved reductions in national poverty rates at a pace that might enable them to reach the Millennium Development Goals target of halving poverty by 2015, it was shown that in 20 of those countries, over one half of the reductions in poverty was due to growth in agricultural incomes. One third of the reduction was attributed to growth in remittances, while the contribution of growth in non-farm incomes was just over 10 per cent.[20] In China, post-1978 agrarian reforms, which included dismantling inefficient state interventions in agricultural markets, reallocating land to farmers and granting farmers full autonomy over production, resulted in a significant rise in per capita annual net income of rural households. Rural incomes increased 20-fold, from RMB 133.6 in 1978 to RMB 3,587 in 2006.[21] Similar improvements are also under way in other developing countries. Ethiopia has been able to lift 1.4 times more people out of poverty by pursuing agriculture-led growth strategies. Similarly,

[19] See "Ethiopia becomes China's China in search for cheap labor", Bloomberg Business, 22 July 2014 (available from http://www.bloomberg.com/news/articles/2014-07-22/ethiopia-becomes-china-s-china-in-search-for-cheap-labor).

[20] Dalila Cervantes-Godoy and Joe Dewbre, "Economic importance of agriculture for poverty reduction", OECD Food, Agriculture and Fisheries Working Paper, No. 23 (Paris, Organization for Economic Cooperation and Development, 2010). doi: 10.1787/5kmmv9s20944-en.

[21] Lin and Yu, "Industrial upgrading and poverty reduction in China" (see footnote 18).

Ghana was able to reduce its national poverty rate by 1.71 per cent following gains in agricultural productivity.[22]

33. Progress in these countries underscores the importance of scaling up public and private investments in agriculture. Building agricultural capacity, high rates of investment in agricultural research and development, provision of extension services and good transportation, and developing marketing and processing infrastructure in rural areas can spur agricultural growth, and improve rural livelihoods. The political will to implement agricultural initiatives, such as the Comprehensive African Agriculture Development Programme, are therefore critical in ensuring that agriculture contributes to raising rural incomes and creating decent rural jobs.

34. Investments in agriculture should also address the major intergenerational challenges faced by the ageing agricultural sector. While developing countries tend to have youthful populations, their youth are increasingly turning their backs on agriculture, migrating from rural to urban areas and abroad, owing to lack of incentives and the perceived drudgery inherent in rural life. In order for the agricultural sector to leverage the demographic dividend and the energy, ambitions and innovative capacity of young people, efforts need to focus on creating decent jobs and improving the youth skills base. Investments in agriculture need to prioritize the improvement of the technical and vocational education systems so as to better respond to the needs of youth and rural labour markets, including through increasing youth participation in agricultural value chains.

C. Improving access to quality education and health care

35. Education and health services, through their improvement of people's capabilities and labour productivity, have been proved to lead to poverty reduction. In fact, research shows that for every US$ 1 spent on education, $10-$15 would be generated in economic growth through an increase in the value and efficiency of the labour force and hence in its productivity.[23] Education equips individuals with the required skills needed to generate income and improve their livelihoods, thereby bringing them out of poverty and helping to ensure that the benefits of growth are broadly shared.

36. Education empowers girls in particular to develop and make appropriate use of their abilities and to protect themselves from violence. Several studies have shown that educating girls and women also leads to a reduction in infant, child and maternal deaths. Women with at least some formal education are more likely than uneducated women to delay marriage, to have fewer children, to access health services and to be better informed regarding the nutritional and other needs of their family. Equitable education therefore provides a foundation for gender equality and poverty eradication.

37. The primary school net enrolment rate in the developing regions increased to 91 per cent in 2015 from 83 per cent in 2000. Sub-Saharan Africa registered the

[22] Xinshen Diao., Peter Hazell and James Thurlow, "The role of agriculture in African development", *World Development*, vol. 38, No. 10 (October 2010), pp. 1375-1383.

[23] United Nations Educational, Scientific and Cultural Organization, *EFA Global Monitoring Report 2013/4: Teaching and Learning — Achieving Quality for All* (Paris, 2014).

highest increase over the past 15 years. The literacy rate among youth aged 15-24 has increased globally from 83 to 91 per cent and the number of out-of-school children of primary school age has fallen globally by almost half.[24]

38. There are still about 100 million children who do not complete primary education and 58 million children who are out of school. Inequality in education still remains high: the poorest children are four times more likely than the richest to not go to school and five times more likely to not complete primary school.[25]

39. Globally, the good progress that has been made in achieving health-related targets, contributed to reductions in poverty. Life expectancy at birth has increased by six years for both men and women since 1990. Child death has been almost halved, from 90 deaths per 1,000 live births in 1990 to 46 deaths per 1,000 live births in 2013. The number of women who died owing to complications during pregnancy and childbirth was also almost halved during the same period. While health inequalities do still exist within and across countries, global progress has nevertheless been highly encouraging.

D. Promoting gender equality and women's empowerment

40. Poverty and inequality are inherently linked, each being a cause and consequence of the other. Gender equality and women's empowerment are critical factors in the eradication of poverty. Studies have shown the positive relation between the promotion of gender equality and the increase in GDP per capita.[26] A 1 per cent increase in the gender gap in effective labour leads to a reduction in output per worker of 0.29-0.50 per cent in sub-Saharan Africa, which translates in turn into an annual loss in effective labour exceeding US$ 60 billion.[27] On the other hand, increasing the share of a household's income controlled by women changes spending patterns, as they are more likely to invest in the well-being of children, which in turn reduces the poverty of future generations and promotes growth.[28]

41. The Millennium Development Goals target of eliminating gender disparity in primary, secondary and tertiary education has been achieved by the developing regions as a whole. Women's employment outside the agricultural sector has increased from 35 per cent in 1990 to 41 per cent in 2015 and there has been a decline in the share of women in vulnerable employment in total female employment from 59 to 46 per cent between 1991 and 2015. The global average proportion of women in parliament has nearly doubled over the past 20 years. However, although maternal mortality has also been nearly halved, large numbers of women die every day during pregnancy or from childbirth-related complications that are mostly preventable.

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[24] *The Millennium Development Goals Report 2015*.

[25] UNESCO, *EFA Global Monitoring Report 2015: Education for All 2000-2015 — Achievements and Challenges* (Paris, 2015).

[26] World Economic Forum, *Global Gender Gap Report 2014*, (Cologny Geneva, 2014).

[27] Amarakoon Bandara, "The economic cost of gender gaps in effective labor: Africa's missing growth reserve", *Feminist Economics*, vol. 21, No. 2 (2015), pp. 162-186. doi:10.1080/13545701.2014.986153.

[28] World Bank, *World Development Report 2012: Gender Equality and Development* (Washington, D.C., 2011), p. 5.

42. Gender inequalities, albeit not even across regions and countries, do persist and remain a major challenge to eradicating poverty. Women continue to face discrimination in access to work, services, assets and participation in decision-making, and they are more likely than men to live in poverty. Only half of working-age women globally participate in the labour force as compared with three quarters of working-age men. Women earned 24 per cent less than men and those with advanced education had higher rates of unemployment than men with similar levels of education for the period 2012-2013. Moreover, they make up less than 22 per cent of the number of parliamentarians worldwide. Concrete actions towards achieving equal gender representation in decision-making are therefore required.

43. There is a link between female representation in political bodies and the participation of women in the workforce, suggesting that greater participation of women in politics could positively impact labour-force participation by increasing both supply and demand of employment opportunities for women.[29]

44. Maternal and neonatal mortality as well as deteriorated health status of children affects future development opportunities. The direct cost of maternal death, as well as general health expenditures, can burden families and also push them into poverty. More generally, limited and inadequate access to health care strongly limits women's social and economic empowerment and their capacity to contribute to the development of their wider communities.

45. Women in sub-Saharan Africa continue to bear a disproportionate share of the burden of disease. For example, they constitute 58 per cent of adults living with HIV/AIDS globally.[30] The current Ebola crises, which have posed an unprecedented challenge to development and consequently to gender equality, revealed yet again the disproportionate impact that man-made or natural disasters, especially when connected to poverty, have on the lives of women compared with men. The United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) has reported that as many as 75 per cent of Ebola fatalities in Liberia and 59 per cent of those in Sierra Leone were women, given their role as caregivers and their consequent vulnerability as persons with the most direct exposure to the virus.[31] All of these health concerns pose a risk to human capital, progress and development.

46. Promoting the adoption and implementation of development strategies and policies that promote decent work and equal participation of women in productive and remunerative activities; facilitating their access to services, credit and finance; strengthening their voices and participation in decision-making, and investing in education and skills for women and girls will lead to gender equality and women's empowerment, and contribute largely to poverty eradication.

E. Expanding social protection coverage

47. Universal coverage and access to social protection are central to ending poverty, reducing inequality, fostering inclusion and enhancing human resource development and productivity. In this regard, universal social protection has

[29] *The Global Gender Gap Report 2014*, p. 43.

[30] UNAIDS, *The Gap Report* (Geneva, 2014).

[31] UN-Women, "Ebola outbreak takes its toll on women", 2 September 2014 (available from http://www.unwomen.org/en/news/stories/2014/9/ebola-outbreak-takes-its-toll-on-women).

increasingly been recognized as an integral component of national development, inclusive growth and poverty reduction efforts, particularly following the adoption by the United Nations System Chief Executives Board for Coordination of the joint crisis initiative on the Social Protection Floor, which was launched in 2009. The initiative called upon the international community to address the social and economic costs imposed by the recent global financial and economic crisis through prioritizing and institutionalizing social protection floors to shield and protect the poorest and most vulnerable people from the worst impacts of that crisis and subsequent ones.

48. Despite the well-recognized benefits of universal social protection, most people are without adequate social protection at a time when it is most needed. Some 73 per cent of the world's population lack proper social protection. Only 27 per cent of the global population have access to comprehensive social security systems, while the majority, 73 per cent, either are partially covered or do not have any coverage at all.[32] The International Labour Organization (ILO) notes that there are nearly 30 low- and middle-income countries that have universal or nearly universal social protection programmes. More importantly, more than 100 other countries are scaling up social protection and fast-tracking expansion of benefits to cover new population groups. In particular, national social protection floors have emerged as an important policy tool, one that can effectively reduce poverty and hunger, inequality and vulnerability to various shocks.

49. Some key challenges relate to the scaling up of public expenditures on social protection as well as ensuring that workers in both the formal and informal sector are adequately covered by some form of social protection. ILO estimates that, on average, Governments allocate 0.4 per cent of GDP to child and family benefits, with the figure ranging from 2.2 per cent in Western Europe to 0.2 per cent in Africa, and Asia and the Pacific. ILO estimates that only 28 per cent of the labour force worldwide are potentially eligible for contributory or non-contributory benefits under existing legislation in the event of unemployment.

50. This average masks significant regional disparities, however. In Europe, existing legislation covers 80 per cent of the labour force as compared with 38 per cent in Latin America, 21 per cent in the Middle East17 per cent in the Asia and Pacific region and 8 per cent in Africa. Coverage is particularly poorer among unemployed workers, as only 12 per cent of this group receive unemployment benefits worldwide. For this group of workers, coverage ranges from 64 per cent in Western Europe to 7 per cent in the Asia and Pacific region, 5 per cent in Latin America and the Caribbean and less than 3 per cent in the Middle East and Africa.

51. To further promote the adoption of universal social protection and ensure that no one is left behind, the World Bank Group and the International Labour Organization, on 30 June 2015, issued a joint statement on the launch of a joint mission and plan of action on universal social protection.[33] The two organizations share a vision of social protection for all and a world where anyone in need can access social protection at any time, and have made commitments to help countries design and implement universal social protection systems.

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[32] International Labour Organization, *World Social Protection Report 2014/15* (see footnote 3).

[33] See http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/statement/wcms_378989.pdf.

52. Today, many countries provide some form of social protection. For example, Ethiopia's productive safety programme provides direct support to chronically food-insecure households without labour. India's employment guarantee scheme employs people living in poverty to build productive infrastructure such as roads and irrigation works. Conditional cash transfer schemes in Brazil and Ecuador aim at building human capital and productivity together with tackling social exclusion and inequality. Similarly, as a result of the greater political will to extend coverage, non-contributory cash transfers cover 80 per cent and 70 per cent of children in Argentina and Brazil, respectively. In fact, almost all Latin American countries have some sort of conditional cash transfer programme. Those programmes have gradually become important mechanisms within social policies and regional poverty reduction strategies. Their immediate objective is to reduce extreme poverty, while in the long run breaking the intergenerational transmission of poverty. To this end, they include conditionalities related to certain nutrition-, education- and health-related objectives.

53. However, despite marked progress, important challenges still remain. For instance, social protection is neither universal nor rights-based in the Arab region. Three quarters of people do not receive any assistance. Furthermore, the provision of social protection has declined in most Arab countries, including high- and low-income ones, owing to financial constraints.[34] In Latin America, while the positive impacts on welfare of conditional cash transfers are widely recognized, the direct impact on poverty is often low because of the small amounts of money received by recipients. As regards longer-term outcomes, increases in primary school enrolment rates and reductions in malnutrition have been observed. The effects on secondary school attendance, however, seem to be less significant.

54. To boost the impact of their social protection schemes, it is important for countries to go beyond addressing extreme poverty. For instance, social protection should reach children who are not yet covered, and in this regard should include children and families who are not living in extreme poverty but are still vulnerable. Hence, countries should move from anti-poverty programmes to the universalization of the social protection rights for all children and families. Greater importance should also be placed on the removal of social exclusion factors, including through ensuring greater integration among different pillars of cash transfers for children (contributory, non-contributory or child tax credits); greater integration with other programmes that aim at tackling the social risks faced by families with children; and reducing segmentation in respect of the quality of the supply of basic services between targeted and non-targeted populations. Greater attention should also be paid to "graduation rules:, i.e., they should be compatible with the aim of improving families' capabilities with respect to escaping and remaining out of poverty by their own means.

F. Climate change mitigation and adaptation

55. Climate change, as manifested by more frequent and intense droughts and environmental disasters, is making it more difficult for affected communities and individuals to escape poverty. In India's Andhra Pradesh, a study found that 14 per

[34] ESCWA, "Social justice in the policies of Arab States" (E/ESCWA/28/8), discussion paper, 5 May 2014.

cent of households were able to escape poverty, while 12 per cent became impoverished. Among those who fell back into poverty, extreme weather events were cited as a cause.[35] To cope with environmental shocks, households are often forced to sell critical productive assets such as livestock, which are frequently used to pay for children's education and health-care needs.

56. To mitigate, and help communities adapt to, climate change, greater efforts are required in the areas of investment in clean technologies, reduction of the use of carbon fuels, investment in smart agriculture and expansion of social protection coverage.

G. Combating inequality and social exclusion

57. An increasing body of rigorous evidence shows that highly unequal societies have shorter and less robust periods of economic growth. More unequal countries are also more susceptible to financial crises. Further, inequality reduces the impact of economic growth on poverty reduction. Hence, in the context of the post-2015 development agenda, rising or persistently high levels of inequality constitute significant obstacles to the attainment of all sustainable development goals.

58. Therefore, tackling inequality within and across countries should be a top priority. Reducing inequality also reduces poverty and promotes the social inclusion and dignity of disadvantaged and marginalized social groups, and contributes to economic growth. It reduces social tensions and fosters political stability as well.

59. However, inequality has increased or remains high in most countries. In about two thirds of countries with available data, income inequality rose between 1990 and 2005.[36] From the mid-1980s to the late 2000s, income inequality rose in 17 out of the 22 Organization for Economic Cooperation and Development (OECD) member countries. This trend is being exacerbated by the rising incidence of insecure forms of employment, growing unemployment and inactivity. Consequently, the income gap between permanent and non-permanent workers has increased over the past decade. Income inequalities have also grown in most emerging market countries, with the exception of several Latin American countries where income distribution has improved since 2002.

60. Income inequality impacts disadvantaged social groups most severely, and this is often manifested in other dimensions of inequality persistently suffered by these groups. For example, global averages have a tendency to mask differences at regional, national and subnational levels, with the poorest and most disadvantaged children suffering from the worst outcomes in a range of areas.[37] Data available for 1990 and projected to 2015 show that children from the poorest quintile are twice as likely to die before their fifth birthday as children from the richest households. Across regions, children from the poorest households are far less likely to achieve

[35] See World Bank, "Climate change complicates efforts to end poverty", feature story, 6 February 2015 (available from http://www.worldbank.org/en/news/feature/2015/02/06/climate-change-complicates-efforts-end-poverty).

[36] Francisco H. G. Ferreira and Martin Ravallion, "Global poverty and inequality: a review of the evidence", World Bank Policy Research Working Paper; No. 4623 (May 2008).

[37] UNICEF, *Progress for Children Report: Beyond Averages — Learning from the MDGs*. No. 11/2015 (New York, June 2015).

minimum learning standards than those from the richest, while rural children are twice as likely as urban children to be stunted.

61. Targeted tax and redistribution policies have proved effective in reducing inequality, especially when they provide incentives to improve human capital through education and health. Latin America's recent experience is a case in point. In Brazil, as in several Latin American countries, social protection programmes targeting investments in education and health services, cash transfers and labour-market reforms have played a major role in reducing income inequalities.

62. Well-structured policies designed to reduce income gaps do not necessarily reduce incentives to invest in fixed capital, innovation and skills acquisition. On the contrary, in the context of globalization and open economies, the reduction of inequality that can be achieved is more likely to accelerate growth and employment creation than the effects of the past trend towards less progressive taxation and lower social transfers.

63. Prudent management of fiscal policy helps redistribute economic gains and mobilizes and reorients funding for investments in human resource development, social protection and infrastructure, and leverages public policy so as to generate jobs that not only target the poor but have the potential to reach all segments of society. Better access to quality education and health services, housing and clean water, land, financing and judicial recourse means that poor and excluded people can become better equipped to contribute to economic growth, care for their children and benefit from a legitimate chance to achieve upward social mobility.

V. Implementation of the inter-agency system-wide plan of action for poverty eradication

64. The implementation of the policies discussed above requires concerted efforts at national and international levels. The inter-agency system-wide plan of action for poverty eradication has served to coordinate the efforts of the United Nations system in its advisory and programmatic support to Member States.

65. In this regard, the Department of Economic and Social Affairs of the United Nations Secretariat continues to facilitate global policy dialogue and consensus-building on post-2015 development priorities through its normative and analytical work. In particular, the Department's analytical reports promote greater awareness regarding the decent work agenda as an effective development strategy for poverty eradication and inclusive development. The Department is also engaged in providing support for capacity-building in countries in areas that include statistical development and strengthening of the role of cooperatives for achieving inclusive development.

66. There has been a growing shift in the thinking of multilateral agencies regarding the centrality of employment as a sustainable route out of poverty. Countries in all regions, at all levels of development, have been increasingly committing to productive employment by regularly announcing and adopting employment targets. Over the years, a number of global templates such as the Global Jobs Pact were agreed so as to help ILO tripartite constituents articulate national policies and programmes for stronger employment outcomes. At the country level, ILO provides labour-market situation analysis, policy advice on

incorporating employment goals in overarching policy frameworks, analysis and research on how to increase the employment content of growth with a view to informing policy design, monitoring and evaluation, capacity-building for government and social partners, and facilitation of tripartite policy dialogue. So far, 63 countries have requested the help of ILO in formulating their national employment strategies.

67. In 2014, the United Nations System Chief Executives Board for Coordination identified decent jobs for youth as a top priority. An inter-agency task team has been established to develop a global initiative for decent jobs for youth, whose aim will be to foster system-wide cooperation, strengthen policy coherence and coordination, mobilize and engage external partners, and enhance linkages between normative and operational aspects of United Nations efforts in the service of improved programming and delivery.

68. To address child poverty in all its dimensions, UNICEF works continuously to identify children living in poverty and help devise effective interventions to protect children and families living in poverty. Recently developed innovative tools and approaches hold out the promise of achieving better results for children, including the multidimensional child poverty studies supported by UNICEF, child-responsive budgeting and child-focused poverty and social impact analyses.

69. The Food and Agriculture Organization of the United Nations (FAO) has prioritized support for decent rural employment in its reviewed strategic framework. Under its "Reduce rural poverty" work programme to, FAO aims at promoting greater opportunities to access decent farm and non-farm employment. A large-scale "Jobs for the poor" umbrella programme has been developed to mobilize the resources needed for action at a scale commensurate with the magnitude of the challenge. In 2014-2015, employment-related work of FAO included support provided for the formulation and implementation of policies, strategies and programmes that generate decent rural employment, especially for rural youth and women. Effective support has been provided to more than 20 countries. Multi-country programmes on youth employment were also launched in East and West Africa, while a third programme is geared towards supporting the Rural Futures Programme under the New Partnership for Africa's Development (NEPAD) Planning and Coordinating Agency. In the Caribbean, FAO is increasing youth participation in the food and feed systems. In the area of policy advice, capacity development and technical support, FAO is involved in extending the application of international labour standards to rural areas. The main areas of focus have been prevention of child labour in agriculture, and occupational safety and health in the different agricultural subsectors.

70. Among the regional commissions, ESCWA continues to work with regional partners to assist in the development of inclusive social policies and to improve responses to youth issues and priorities, including employment generation, which is at the core of the development challenges faced by the region. ESCWA is also advocating for the implementation of a universal rights-based and integrated approach to social policy directed towards achieving social justice.

71. The Economic Commission for Africa has developed the African Social Development Index in response to requests from member States for an Africa-specific indicator of social exclusion. The tool aims at assessing the depth of human exclusion in six key dimensions of well-being, namely, employment, productivity,

survival, health, education and decent life. The tool has been piloted in five countries and its roll-out is under way in the rest of the region

VI. Conclusion and recommendations

72. The experience of countries that have achieved impressive success in reducing poverty indicates that economic growth, while necessary, needs to be complemented by mutually supportive social and environmental policies, critical investments in the social sector, agriculture and infrastructure, and a supportive international environment.

73. In light of the above, the General Assembly may wish to consider the following recommendations:

(a) **To eradicate poverty, developing countries should prioritize economic structural transformation that leads to industrialization, the creation of more jobs in more productive sectors, improvements in income and reductions in precarious forms of employment. The State should actualize the vision and strategy by creating an enabling environment for the growth of the private sector as the engine of growth;**

(b) **Countries should strengthen policy coherence and integration among the three pillars of sustainable development in order to ensure that social, economic and environmental policies become more effective in reducing poverty and inequality. In particular, social and macroeconomic policies should work hand in hand to enable people living in poverty and vulnerable groups to actively participate in and significantly benefit from growth;**

(c) **Countries should ensure that poverty eradication policies are: well-coordinated and involve all levels of government and relevant actors, including people living in poverty; are efficient and effective and mainstreamed into all relevant public policies, including economic, budgetary, health, education and training policies; and are gender-mainstreamed;**

(d) **Countries should make greater efforts to promote inclusive, equitable and sustainable employment-intensive growth, which entails investing in health, education, skills training and social protection and ensuring that the post-2015 development framework is people-centred; and universal social protection should be prioritized;**

(e) **Countries should ensure that social inclusion policies promote the active participation of all segments of society in the labour market, particularly women, youth, persons with disabilities, older persons and indigenous groups. Active inclusion should encompass access to quality education and health care, water and energy, and adequate material, social and cultural resources;**

(f) **To strengthen food and nutrition security and facilitate economic growth, regional integration, job creation and social inclusion, countries should, in partnership with the private sector, boost investments in agriculture and infrastructure development in both rural and urban areas.**